

STATE OF HAWAII DEPARTMENT OF TRANSPORTATION

869 Punchbowl Street Honolulu, Hawaii 96813-5097 BRENNON T. MORIOKA DIRECTOR

> **Deputy Directors** MICHAEL D. FORMBY FRANCIS PAUL KEENO BRIAN H. SEKIGUCHI JIRO A. SUMADA

> > IN REPLY REFER TO:

Board of Land and Natural Resources State of Hawaii Honolulu, Hawaii

HAWAII

ISSUANCE OF A REVOCABLE PERMIT TO BIG ISLAND ENERGY CO. LLC DBA AKANA PETROLEUM, AT KAWAIHAE HARBOR, KAWAIHAE 1st, SOUTH KOHALA, ISLAND OF HAWAII, TAX MAP KEY NO. 3RD / 6-1-03: 32

LEGAL

REFERENCE:

Chapters 171-11 and 55, Hawaii Revised Statutes.

APPLICANT:

Big Island Energy Co. LLC dba Akana Petroleum

CHARACTER OF

USE:

Storage and distribution of petroleum and petroleum products in bulk.

LOCATION:

Portion of Government lands of Kawaihae Harbor, Kawaihae 1st, South Kohala, Island of Hawaii, Tax Map Key: 3rd/6-1-03: 32, as shown on the attached map labeled Exhibit "A."

CURRENT USE

STATUS:

Governor's Executive Order No 1988.

AREA:

110,163 square feet of unpaved land, more or less.

6,241 square feet of non-exclusive subsurface pipeline easement.

RENTAL:

\$4,618.42 per month.

SECURITY

DEPOSIT:

\$9,236.84

Board of Land and Natural Resources Big Island Energy Co. LLC dba Akana Petroleum Page 2

ZONING:

State Land Use Commission:

Urban

County of Hawaii:

General Industrial

COMMENCEMENT

DATE:

To be determined by the Director of Transportation.

LAND TITLE

STATUS:

Subsection 5(a) of the Hawaii Admission Act (non-ceded).

CHAPTER 343

ENVIRONMENTAL

ASSESSMENT:

This disposition is exempt from the Office of Environmental Quality Control (OEQC) requirements pursuant to Sub-Chapter 11-200-8 (Item 1) of the Hawaii Administrative Rules that exempts the "operations, repairs, or maintenance of existing structures, facilities, equipment, or

topographical features involving negligible or no expansion or change of

use beyond that previously existing."

DCCA

VERIFICATION:

Place of business registration confirmed: YES

Registered business name confirmed:

YES

Applicant in good standing confirmed:

YES

REMARKS:

The subject land area was formerly leased to Akana Petroleum, Inc. under Harbor Lease No. H-67-1 which expired May 31, 2009. Big Island Energy Co. LLC acquired the assets of Akana Petroleum, Inc. which included the subject lease upon which operations are being conducted by the applicant as a holdover tenant.

Big Island Energy Co. LLC dba Akana Petroleum, requests the issuance of a revocable permit for the storage and distribution of petroleum and petroleum products in bulk, in order to continue to operate this commercial petroleum center, with card lock, that services the Kawaihae Harbor community.

This is not a retail service station. The applicant is a wholesaler of petroleum products and uses a card lock as a method of dispensing petroleum products on a wholesale basis.

The applicant understands that only a revocable permit is being issued at this time as the department is currently working on the Hawaii Island Commercial Harbors 2035 Master Plan.

Board of Land and Natural Resources Big Island Energy Co. LLC dba Akana Petroleum Page 3

The permit will also require the applicant to remove all equipment, tanks, pipelines, and other improvements made to the premises under the former lease as well as fulfill any other holdover obligations under Harbor Lease No. H-67-1.

RECOMMENDATION:

That the Board authorizes the Department of Transportation, Harbors Division to issue a revocable permit to the applicant for the above stated purpose, subject to the terms and conditions outlined above and incorporated herein by reference, and such terms and conditions as may be prescribed by the Director of Transportation.

Respectfully submitted,

BRENNON T. MORIOKA, Ph.D., P.E.

Director of Transportation

Attachment

APPROVED FOR SUBMITTAL:

Chairperson and Member

Board of Land and Natural Resources

